

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX

75 Hawthorne Street San Francisco, CA 94105

May 10, 2018

Dr. Philip Fine
Deputy Executive Officer
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, California 91765

RE: Request for Commitment Letter for the South Coast Air Quality Management
District (SCAQMD) Rule 1325 – Federal PM2.5 New Source Review Program State
Implementation Plan Submittal

Dear Mr. Kruse:

Thank you for the opportunity to review the revisions to Rule 1325 – Federal PM2.5 New Source Review Program. The rule was submitted by the California Air Resources Board (CARB) to the United States Environmental Protection Agency, Region 9 (EPA) on November 4, 2016, for inclusion in the SCAQMD portion of the California State Implementation Plan (SIP). Based on our review of the submitted rule revisions, we have determined that there is one issue that prevents the EPA from proposing full approval of the submitted rule. Under section 110(k)(4) of the Clean Air Act (CAA or Act), the EPA may grant conditional approval of a SIP submittal if the state commits to adopt specific revisions to address deficiencies by a date certain, not to exceed one year after the date of approval of the SIP submittal.

After review of the SCAQMD's SIP submittal, we have identified the rule deficiency listed below. The EPA seeks a written commitment from the SCAQMD to correct this issue as needed to satisfy the applicable statutory and regulatory provisions governing regulation of stationary sources under the CAA and the requirements in 40 CFR part 51, subpart I. Under CAA section 110(k)(4), the submittal of a commitment letter from both the SCAQMD and the CARB would allow the EPA to conditionally approve the SIP submittal.

1. The submitted rule does not require sources to consider volatile organic compounds (VOC) and ammonia as PM_{2.5} precursors when evaluating if a project will result in a major modification.

The definition of Regulated NSR Pollutant was not revised to include VOC and ammonia as PM_{2.5} precursors. Because the definition for the term Major Modification relies on the definition of Regulated NSR Pollutant, Rule 1325 does not satisfy the requirement to include VOC and ammonia as PM_{2.5} precursors when evaluating if a project will result in a major modification, and it is therefore deficient. The District must revise the definition of Regulated NSR Pollutant to include VOC and Ammonia as PM_{2.5} precursors or make

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bl to moving forward with a other edits that have the same effect.

e EPA a letter committing to a date certain, but not later after reviewing the identified deficiency the District is amena e conditional approval, the District and CARB will need to send to the adopt specific rule revisions to address the identified deficiency by ase feel free to contact Later twelve months after the date of the EPA's final action.

If you have any questions regarding the identified deficiencies, ple Yannayon of my staff at (415) 972-3534, or myself at (415) 972-39